



Health Reform Bulletin

Week of August 27, 2012

The cost of health insurance remains the biggest problem facing small business owners, according to a National Federation of Independent Business (NFIB) survey of its members. Every four years, NFIB asks its members to rate 75 different potential business problems. The cost of health insurance has rated No. 1 on every survey for the past 25 years. This year, more than 52 percent of small business owners said health insurance costs was a critical problem. Other problems cited in the survey were uncertainty over economic conditions (No. 2) and uncertainty over government actions (No. 4).

Federal

According to updated projections released by the Congressional Budget Office, Medicare and Medicaid spending are expected to grow to a larger share of the nation's economy over the next 10 years. The report — an update to CBO's budget and economic outlook — found that Medicare spending will grow from 3.7 percent of the Gross Domestic Product next year to 4.3 percent in 2022. The report

also noted the Affordable Care Act's insurance subsidies will add to the federal share of health care spending. Also this week, HHS confirmed that the new ICD-10 billing codes will indeed be delayed by one year, from October 1, 2013 to October 1, 2014.

State

CONNECTICUT: Governor Malloy announced the state's award of a \$107 million Level Two Establishment Grant from the Center for Medicare and Medicaid Services to help the state establish its health insurance exchange. Lt. Governor Nancy Wyman, who chairs the Connecticut Exchange's Board of Directors, said, "This award acknowledges the substantial progress the exchange team has made in a very short amount of time. Building the exchange is a complex undertaking and the receipt of these funds acknowledges the federal government's confidence in Connecticut's exchange operations and outreach plan." Connecticut is now among only six states to have received Level Two Grants.

DELAWARE: Governor Markell has signed into law legislation requiring coverage for treatment of autism spectrum disorder. Under the new law, health benefit plans are required to provide coverage for the screening and diagnosis of autism spectrum disorders and the treatment of autism spectrum disorders for individuals less than 21 years of age. Coverage for applied behavior analysis services shall be



subject to a maximum benefit of \$36,000 per twelve month period, but shall not be subject to any limits on the number of visits an individual may make to an autism services provider or that a provider may make to an individual. The law will be in effect 120 days from enactment.

DISTRICT OF COLUMBIA: The District of Columbia Exchange Board received testimony from numerous stakeholders during an August 21 Board meeting. The Board is presently considering recommendations from the Health Reform Implementation Subcommittee on market structure that would consolidate the individual and small group health insurance market; making the Exchange in the District of Columbia the sole marketplace for health insurance products for individuals and small businesses. Despite overwhelming testimony raising serious concerns, it is believed the Board is leaning towards adopting the Subcommittee recommendations. The Board did not vote on the proposal.

MICHIGAN: A spokeswoman for Governor Snyder announced last week that the Administration is withdrawing its plan to run a State based health insurance Exchange. The Senate passed SB693 months ago which would have established an Exchange however, while the House Speaker indicated he would call the bill for a vote earlier this summer, it became clear that the Administration could not convince enough Republicans in the state House to authorize the program. Michigan will instead pursue a joint partnership with the federal government to create the Exchange.

NEBRASKA: Nebraska Governor Dave Heineman and Director of Insurance Bruce Ramage announced a series of eight public meetings aimed at soliciting input on the establishment of a health insurance Exchange. The meetings will be held between August 27 and September 12 in six locations throughout the state. A vocal opponent of the Affordable Care Act, Governor Heineman announced he would not make a decision on establishing an Exchange until after the Supreme Court had ruled on the law, a delay that scuttled efforts to enact legislation establishing a state-run exchange. With the recently-announced public hearings extending into mid-September, it is likely that the Governor will wait until after the November elections to issue a directive, most likely via Executive Order.

Courtesy of Aetna Health Reform Weekly

